

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

August 7, 2000

Mr. Jacob C. (Chris) Martin
306 Cypress Court
Franklin, Tennessee 37069

**RE: Petition of Lynwood Utility Corporation for Approval of Transfer and Control
Nunc Pro Tunc
Docket No. 00-00690**

Dear Mr. Martin:

On August 4, 2000, Lynwood Utility Corporation filed a Petition for Approval of Transfer and Control *Nunc Pro Tunc* which resulted in a new docket being opened. Because this filing relates to an issue under consideration in Docket No. 99-00507, we are enclosing a copy of Lynwood's Petition, as a courtesy, for your review.

K. David Waddell
Executive Secretary

cc: Donald Scholes, Esq.

Attachment

Original File in Docket No. 00-00690

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

RECEIVED

AUG 07 2000

TO REGULATORY AUTHORITY
GENERAL COUNSEL'S OFFICE

In re: PETITION OF LYNWOOD UTILITY)
CORPORATION FOR APPROVAL)
OF TRANSFER AND CONTROL)
NUNC PRO TUNC)

DOCKET NO.

0000690

PETITION FOR APPROVAL OF TRANSFER AND CONTROL *NUNC PRO TUNC*

Comes now Lynwood Utility Corporation (Lynwood) and files this Petition for approval of the transfer of the ownership and control of Lynwood from its sole shareholder, David Terry, to Southern Utility Corporation. On May 12, 1999, David Terry transferred all of the outstanding stock of Lynwood to Southern Utility Corporation, and Lynwood seeks approval of this transfer *nunc pro tunc* pursuant to T. C. A. § 65-4-113.

Lynwood Utility Corporation provides sewer service in Williamson County, Tennessee pursuant to a certificate of public convenience and necessity issued originally to Lynwood Utility Company on June 14, 1976. Lynwood Utility Corporation acquired the assets and operating authority of Lynwood Utility Company by an Order dated June 27, 1996 by the Tennessee Public Service Commission. At that time the sole stockholder of Lynwood Utility Corporation was David Terry. On May 12, 1999, Mr. Terry transferred all of the outstanding stock of Lynwood to Southern Utility Corporation, a Tennessee Subchapter S corporation. A copy of the Bill of Sale transferring the stock of Lynwood to Southern Utility Corporation is attached as Exhibit 1 to this Petition.

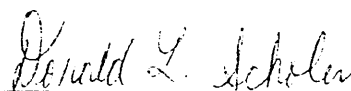
Since the transfer of ownership and control, Lynwood has continued to operate as it has in the past, using the same name, tariff, and operating authority. The transfer of control has been transparent and should have no adverse effect on Lynwood's customers. Before the transfer of

control occurred, the new management of Lynwood became familiar with the operations of Lynwood by managing the day-to-day operations of Lynwood for approximately five months before the transfer under a management contract with Lynwood.

Southern Utility Corporation has a vested interest in the financial viability of Lynwood in that the principals of Southern Utility Corporation are involved in the development of the River Landing Subdivision which will receive sewer service from Lynwood. Southern Utility Corporation and its related companies have access to financial resources to upgrade the Lynwood treatment and collection system. Since Southern Utility Corporation acquired the stock of Lynwood and put in new management, Lynwood has made extensive capital improvements to and has expanded its sewer treatment plant. Lynwood's financial condition has improved, and Lynwood has substantially increased its compliance with the rules and regulations of this Authority.

Wherefore, Lynwood asserts that the transfer and control of Lynwood from David Terry to Southern Utility Corporation is in the public interest and requests that the Authority approve the transfer and control of Lynwood from David Terry to Southern Utility Corporation *nunc pro tunc* from May 12, 1999.

Respectfully submitted,



DONALD L. SCHOLES

BRANSTETTER, KILGORE, STRANCH & JENNINGS
227 Second Avenue, North, Fourth Floor
Nashville, TN 37201-1631
(615) 254-8801

Attorney for Lynwood Utility Corporation

Certificate of Service

I hereby certify that a true and exact copy of the foregoing Petition for Approval of Transfer of Ownership and Control *Nunc Pro Tunc* has been served by United States Mail, postage prepaid upon the following on this the 4th day of August, 2000:

Vincent Williams, Esq.
Consumer Advocate
426 Fifth Avenue, North
2nd Floor, Cordell Hull Bldg.
Nashville, TN 37243-0500

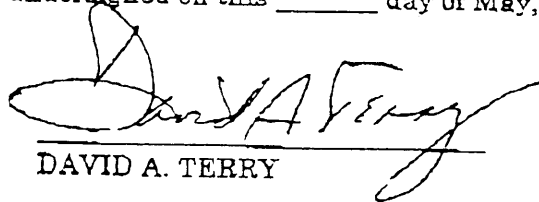
Ronald L. Schaler

BILL OF SALE

I, David A. Terry, hereby convey to Southern Utility Corporation all of my right, title and interest in and to Certificate No. 1 representing one hundred (100) shares of common stock of Lynwood Utility Corporation, as well as any other shares of said corporation (the "Stock").

The Stock is subject to a perfected security interest in favor of Lumbermen's Investment Corporation which has possession of said share Certificate No. 1. Except for the lien in favor of Lumbermen's Investment Corporation, the Stock is unencumbered and I have full and lawful ownership thereof. I hereby covenant and bind myself, my heirs, successors and assigns to warrant and forever defend title to the Stock in favor of Southern Utility Corporation, its successors and assigns, against the lawful claims of all persons.

WITNESS the signature of the undersigned on this _____ day of May, 1999.


DAVID A. TERRY